



December 10, 2019

Chairwoman Carolyn Maloney
U.S. House Committee on Oversight and Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Ranking Member Jim Jordan
U.S. House Committee on Oversight and Reform
2056 Rayburn House Office Building
Washington, D.C. 20515

Re: Family and Medical Insurance Leave Act (FAMILY Act)

Dear Chairwoman Maloney and Ranking Member Jordan:

As a representative of the 30 million small business owners across the nation, Small Business Majority writes in support of today's hearing examining the need for a national paid family and medical leave program. We also wish to express our support for the Family and Medical Insurance Leave Act (FAMILY Act), legislation that would allow business owners to reap the benefits of a healthy and productive workforce without being burdened by excessive costs.

Many employers want to provide their employees with adequate leave time; however, not all can afford to do so. The FAMILY Act would enable employers to provide employees with much needed time away from work without bearing the full cost of their leave. And for those employers who already provide paid family and medical leave for their employees, it could result in significant cost savings.

It's no surprise then that most small employers support family and medical leave insurance. Our scientific opinion polling found that 70% of small businesses believe it's important to establish a federal program to guarantee access to paid family and medical leave. An additional 7 in 10 small businesses support the FAMILY Act, with nearly half (47%) strongly favoring the legislation.

Small businesses support this legislation because they know paid leave is good for their bottom line. It reduces turnover, which is costly to employers.¹ Hiring and training is one of the most expensive costs incurred by business owners, and employers welcome any legislation that will help avoid turnover.

The model of paid leave insurance that the FAMILY Act is in part based on has already been implemented or is in the process of being implemented in eight states plus the District of Columbia. In California and New Jersey, family leave insurance programs have been implemented since 2004 and 2009, respectively. In a study that investigated paid leave insurance in California, most employers report the California Paid Family Leave program had either a "positive effect" or "no noticeable effect" on productivity (89%), profitability/performance (91%), turnover (96%) and employee morale (99%).²

Small employers know policies like this create a happier and more productive staff, which leads to increased productivity and improves their bottom line. The FAMILY Act will help small business owners provide a crucial protection to their employees. We urge you to take into account the voices of small businesses and support this important legislation.

Sincerely,

A handwritten signature in black ink that reads "John C. Arensmeyer".

John C. Arensmeyer
Founder & CEO

¹ Boushey, H., & Glynn, S. (2012, November 16). *There Are Significant Business Costs to Replacing Employees*. Center for American Progress publication. Retrieved 16 September 2013, from <http://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>

² Eileen Appelbaum and Ruth Milkman. " (2011) Leaves that pay: Employer and worker experiences with paid family leave in California." Washington: Center for Economic and Policy Research. Retrieved 1 November 2013, from <http://www.cepr.net/documents/publications/paid-family-leave-1-2011.pdf>